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*Counsel to the Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

CELSIUS NETWORK LLC, *et al.*,<sup>1</sup>

Debtors.

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)  
) Chapter 11  
)  
) Case No. 22-10964 (MG)  
)  
) (Jointly Administered)  
)

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**NOTICE OF FILING OF MAY 17, 2023 HEARING PRESENTATION**

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**PLEASE TAKE NOTICE** that the above-captioned debtors and debtors in possession (collectively, the “Debtors”) hereby file the presentation (the “Presentation”), attached hereto as **Exhibit A** that will be used at the hearing that will take place on **Wednesday, May 17, 2023 at 10:00 a.m. prevailing Eastern Time** (the “Hearing”) before the Honorable Martin Glenn, Chief United States Bankruptcy Judge of the United States Bankruptcy Court for the Southern District of New York.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

**PLEASE TAKE FURTHER NOTICE** that copies of the Presentation and other pleadings filed in these chapter 11 cases may be obtained free of charge by visiting the website of Stretto at <https://cases.stretto.com/celsius>. You may also obtain copies of any pleadings filed in these chapter 11 cases by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

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New York, New York  
Dated: May 16, 2023

/s/ Joshua A. Sussberg

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**Exhibit A**

**Presentation**



# Ongoing Activities Update

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May 2023



# Withdrawal Update

22-10964-mg Doc 2655 Filed 05/16/23 Entered 05/16/23 22:24:21 Main Document  
Pg 6 of 10

Group	Description	Eligible Users	KYC'd Users	Eligible Value (\$mm)	Withdrawn Value (\$mm)	Funds Available Date
1st	Pure Custody & Below \$7,575 Pref threshold	~33.7k	~17.8k (53% of eligible)	\$39.8mm	\$30.9mm (78% of eligible)	March 2 (94%) May 4 (6%)
2nd	Custody Settlement Opt-in	~5.2k	~3.7k (71% of eligible)	\$47.1mm	\$27.7mm (59% of eligible)	May 9 - Payment 1 of 2 <sup>(2)</sup>
3rd	Withhold (Ad-hoc only)	13	Target May 17	\$0.2mm <sup>(1)</sup>	-	Target May 18 <sup>(3)</sup>
4th	Post-petition	~3.0k	Target May 24	\$1.6mm	-	Target May 25

Note: Values expressed in dollars reflect coin prices as of the petition date.

(1) Represents 15% of users' balances that are eligible for withdrawal.

(2) Payment 1 of 2 (36.25% of Custody Claim) available on May 9, 2023.

(3) Subject to ongoing discussions with Withhold Ad Hoc Group.



## Rig Deployments

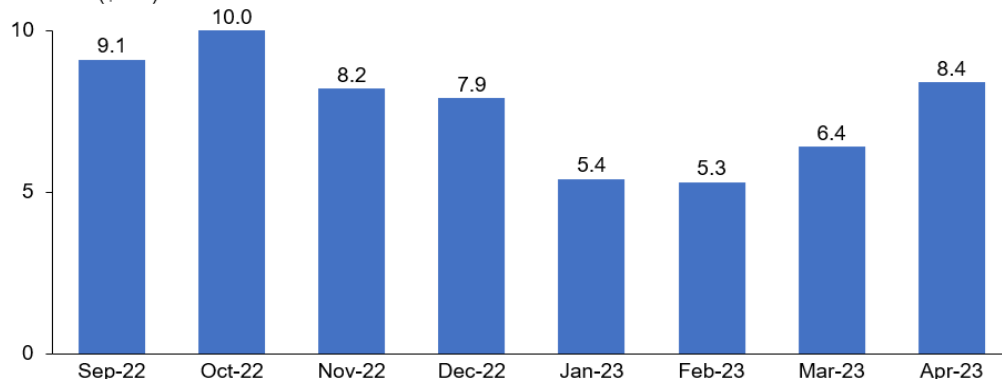
- ~53k rigs deployed at the end of April - an increase of 18% to March - driven by the continued ramp at the Hardin, MT facility with ~7K miners deployed

## Highlights

- Adjusted EBITDA of \$1.4mm for April - up 53% from March
  - Total April revenue of \$8.4mm, a 31% increase
  - Adjusted Gross Margin of 26%, is up 10% from March - driven by BTC price increase
  - Average revenue per mined Bitcoin of \$28,863 is an increase of 16% to March

Key Metrics	April 2023	March 2023	Diff. (4)
<b>BTC Production</b>	289	257	12%
<b>Avg. BTC Produced per Day (1)</b>	9.6	8.3	16%
<b>Revenue (\$mm) (1)</b>	\$8.4	\$6.4	31%
<b>Adjusted Gross Margin (2)</b>	26%	16%	10%
<b>EBITDA (\$mm)</b>	\$1.4	\$0.9	53%
<b>Ending Rigs Deployed ('000)</b>	53	45	18%
<b>Uptime (3)</b>	68%	59%	9%
<b>Network Hash (TH/s)</b>	343	332	3%
<b>Average Revenue per Mined BTC (\$)</b>	28,863	24,843	16%

Revenue (\$mm)



(1) BTC produced and Revenue earned are gross and include profit shared to the hosting facilities.

(2) Adjusted Gross Margin is after deduction of power cost, hosting services, operating cost as well as profit share.

(3) Defined as the number of mining equipment in operation as a percentage of the total equipment deployed.

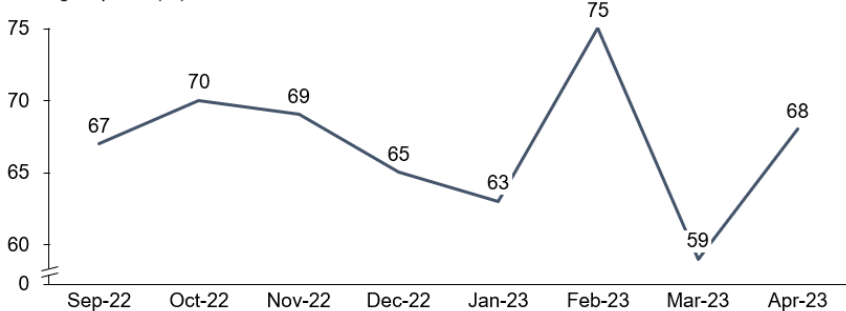
(4) Adjusted Gross Margin and Uptime differences between two months are the rate differences and the rest of the metrics are using change rate.



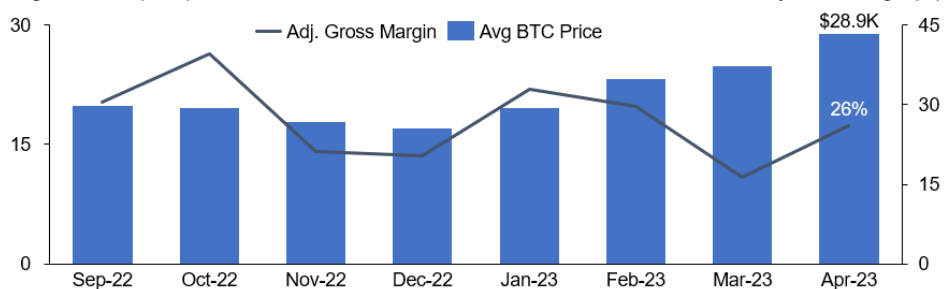
# Mining April 2023 Trending

22-10964-mg Doc 2655 Filed 05/16/23 Entered 05/16/23 22:24:21 Main Document Pg 8 of 10

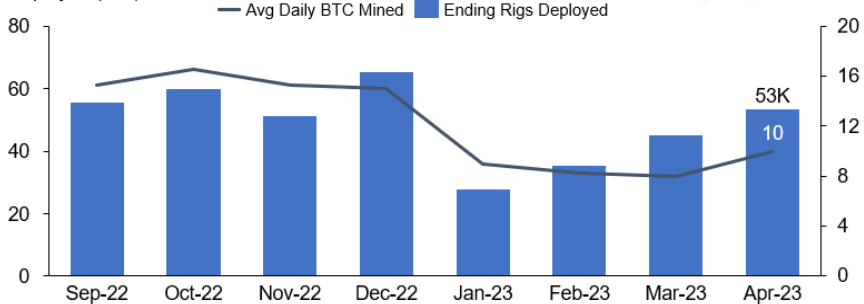
Average Uptime (%)



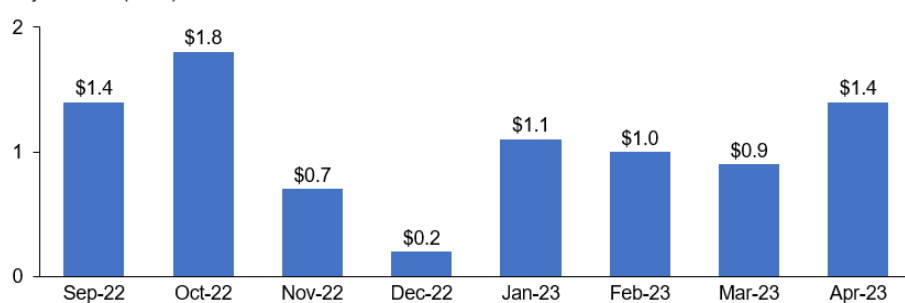
Avg BTC Price (\$000)



Ending Rigs Deployed (000)



Adj. EBITDA (\$mm)

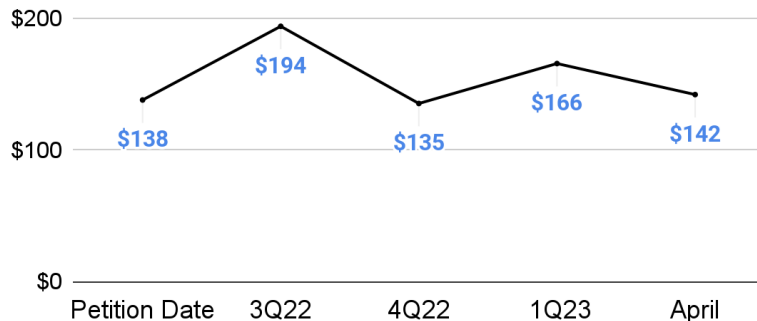


(1) We expect ~68K rigs to be deployed by the end of June after full ramp-up at OKC, Hardin MT and East Stiles



# Cash Flow & Liquidity (Petition date April 2023)

Cash on hand (in \$mm)



Current Cash balance **\$142mm**;  
**+\$4mm** since Petition Date

## +\$4mm net cash flows since the Petition Date

Cash Inflows of \$283mm

- ☐ \$63mm from payments on investments & loans
- ☐ \$74mm from selling mined BTC
- ☐ \$106mm of cash withdrawn from exchanges + sale of stablecoins
- ☐ \$40mm from sale proceeds of GK8

Operating Outflows of \$107mm

- ☐ \$53mm of mining hosting fees
- ☐ \$40mm for payroll & other account payables
- ☐ \$14mm for other expenses

Restructuring Costs of \$120mm

Capital Expenditures of \$52mm

